

STATE OF MICHIGAN  
DEPARTMENT OF ENERGY, LABOR AND ECONOMIC GROWTH  
OFFICE OF FINANCIAL AND INSURANCE REGULATION

Bulletin 2011-08-INS

In the matter of

Annual Adjustment of the Fire Insurance Maximum  
Escrow under the Michigan Insurance Code

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Issued and entered  
this 15<sup>th</sup> day of February, 2011  
by Ken Ross  
Commissioner

This bulletin supersedes Bulletin 2010-08-INS, dated April 28, 2010.

Sections 2227 and 2845 of the Insurance Code, 1956 PA 218, MCL 500.2227 and 500.2845, allow municipalities that participate in the fire insurance withholding program to escrow 25% of a fire insurance settlement for losses that meet established criteria to real property within the boundaries of the municipality. For residential property, the 25% settlement shall not exceed a maximum amount that is adjusted annually, beginning June 1, 1999, from the original maximum of \$6,000, in accordance with the consumer price index.


The new fire insurance maximum withholding amount effective **June 1, 2011 through May 31, 2012 is \$7,873.**

The maximum assignment levels for recent years are as follows:

|                                   |              |
|-----------------------------------|--------------|
| June 1, 2010 through May 31, 2011 | ---- \$7,812 |
| June 1, 2009 through May 31, 2010 | ---- \$7,860 |
| June 1, 2008 through May 31, 2009 | ---- \$7,681 |
| June 1, 2007 through May 31, 2008 | ---- \$7,443 |
| June 1, 2006 through May 31, 2007 | ---- \$7,304 |
| June 1, 2005 through May 31, 2006 | ---- \$7,064 |

Any questions regarding this bulletin should be directed to:

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Ken Ross  
Commissioner